

Illinois Regulation is a summary of the weekly regulatory decisions of State agencies published in the Illinois Register and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules. Illinois Regulation, also titled The Flinn Report in memory of founding JCAR member Rep. Monroe Flinn, is designed to inform and involve the public in changes taking place in agency administration.

New Rules

■ PROCUREMENT

The CHIEF PROCUREMENT OFFICER for GENERAL SERVICES (CPO-GS) adopted amendments to the Part titled Chief Procurement Officer for General Services - Standard Procurement (44 IAC 1; 38 Ill Reg 10327), effective 10/31/14, to revise procurement rules in conformity with Public Acts amending the Procurement Code. An amendment to a contract regulated under this Part may or may not document a material change (a "change order" may be an amendment to a contract, but an amendment may not necessarily be a change order). Newly defined terms include change order, construction agency (IDOT, Capital Development Board, Illinois Tollway Authority, etc.), contract award, and emergency contract award. Examples of

purchase of care contracts exempt from the Code are given (e.g., Medicaid care coordination programs and primary care case management services), along with examples and definitions of a procurement compliance monitor and State Purchasing Officer (SPO). The CPO may delegate procurement action to a SPO or a State agency and the CPO is responsible for publication of the Illinois Procurement Bulletin. The rulemaking adds information about bid amounts and veterans or minority contractor status of all bidders to that required to be published in a notice of award, along with information related to renegotiated contracts and change orders. The CPO may operate a vendor portal to facilitate procurement actions. All bids and offers shall be date and time-stamped, recorded in a log

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Proposed Rulemakings

■ NATURAL GAS

The ILLINOIS COMMERCE COMMISSION proposed amendments to Minimum Safety Standards for Transportation of Gas and for Gas Pipeline Facilities (83 IAC 590; 38 Ill Reg 20849) incorporating by reference the most recent applicable federal regulations. The amendments also require any person engaged in the transportation of gas, or who owns or operates a pipeline, to file electronically with ICC the reports necessary to comply with the federal safety requirements. The rulemaking also establishes the security requirements for the external user accounts needed to submit these reports. Owners or operators of gas pipelines and those who transport natural gas are affected.

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NEW RULES: Rules adopted by agencies this week. **EMERGENCY RULES:** Adopted for a temporary period not to exceed 150 days.

PROPOSED RULES: Rules proposed by agencies this week, commencing a 45-day First Notice period during which public comments must be accepted.

PEREMPTORY RULES: Rules adopted without prior public notice or JCAR review as authorized by 5 ILCS 100/5-50.

■ Designates rules of special interest to small businesses, small municipalities, and not-for-profit corporations. Agencies are required to consider comments from these groups and minimize the regulatory burden on them.

QUESTIONS/COMMENTS: Submit mail, email or phone calls to the agency personnel listed below each summary.

RULE TEXT: Available on the Secretary of State (www.cyberdriveillinois.com) and General Assembly (www.ilga.gov) websites under Illinois Register. Second Notice text (original version with changes made by the agency during First Notice included) is available on the JCAR website.

Proposed Rulemakings

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Questions/requests for copies/comments through 12/22/14: Elizabeth Rolando, ICC, 527 E. Capitol Ave., Springfield IL 62701, 217/782-7434. Please reference ICC Docket 14-0691.

INSURANCE

The DEPARTMENT OF INSURANCE proposed a new Part titled Confidentiality Protocols for Request and Receipt of Claim Information by Alternative Means (50 IAC 2028; 38 Ill Reg 20854). The rulemaking implements Public Act 98-189, which directs DOI to adopt rules guarding against disclosure of information protected by the Public Act. Protected information includes the address, telephone number or personally identifying information of the person who made a request for information, or for a child on whose behalf the information was requested; the nature of health care services provided; or name and address of the provider of health care services. Insurance companies issuing policies after 1/1/14 must accommodate a reasonable request by a covered person to receive claim-related information (all claim or billing information relating to an insured person) by alternative means or at alternative locations. A “reasonable request” must include a statement that disclosure of information could endanger the insured person or a person

protected by a protective order. A company may require that the request be in writing, that it include a statement that disclosure could endanger the requestor, and that the request contain an alternative address, phone number or other method of contact. Company confidentiality procedures must include the method by which a requestor may make a request and provide an alternative address, telephone number or other method of contact; the process for limiting or removing personally identifiable information before information is disclosed (where possible); internal control procedures for annual review of confidentiality information; and insurance company internal notification procedures, among other elements. In the event a company is required to release information to another party pursuant to a court order or subpoena, the company shall notify the requestor that it shall release information. A company is required to post information concerning this rule on its website.

Questions/requests for copies/comments through 12/22/14: Susan Anders, DOI, 320 W. Washington St., Springfield IL 62767-0001, 217-785-8220, Fax: 217-524-9033.

STATE RETIREMENT FUNDS

The ILLINOIS STATE BOARD OF INVESTMENT proposed an

amendment to Rules and Regulations of the Board (74 IAC 800; 38 Ill Reg 20862), changing its long-term investment objective of compounded rate of return from 7.75% to 7.25%. ISBI also proposed amendments to State (of Illinois) Employees’ Deferred Compensation Plan (80 IAC 2700; 38 Ill Reg 20868) to clarify normal retirement age under Internal Revenue Code requirements and permit the establishment of a ROTH IRA type deferred compensation program. The normal retirement age can be no later than 70½, and benefits must commence no later than the time prescribed in Section 401(a)(9) of the Internal Revenue Code. ROTH account contributions (made with post-tax rather than pre-tax income), must be separately accounted for. The deferred compensation program may accept a rollover contribution designated as a ROTH contribution from another retirement plan, and is permitted to allow in-plan conversions of deferred compensation accounts to ROTH status.

Questions/requests for copies/comments concerning the 2 ISBI rulemakings through 12/22/14: Linsey Schoemehl, ISBI, 180 N. LaSalle St., Ste. 2015, Chicago IL 60610, 312/793-1486, fax: 312/793-2266, e-mail: Linsey.Schoemehl@Illinois.gov

New Rules

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and securely stored. Electronic signatures for bids may be submitted according to standards prescribed by CMS. Vendors who claim confidential data must identify information claimed to be trade secrets or competitively sensitive. Subcontractor disclosure thresholds are raised from \$25,000 to \$50,000 and permissible grounds for substitution of a subcontractor are listed (e.g., bankruptcy or death of a subcontractor, failure to perform). Amendments to bids must be made 72 hours prior to bid submission, or the solicitation may be cancelled and reissued, or extended, by the SPO. Subject to the approval of the SPO, an evaluation committee for proposal review shall be determined by the State agency. A sole source hearing must be requested. Notice of Award of professional and artistic service contracts (including those under \$20,000 exempt from bidding) must be published in the Bulletin. A SPO may request information from an agency to assist in determining whether cancellation of a bid or proposal is appropriate. Inclusion on any State agency-maintained vendor list is not required to be considered for future contracting opportunities. Contract renewals are permitted only if authorized by the original contract. Change orders increasing a contract by more than \$10,000 or extending the contract term more than 30 days must include a written determination that the change

was not foreseeable; professional and artistic service contract change orders may not result in an increase of more than 5% or extend the contract term by more than 2 months; change orders exceeding \$249,999 must be submitted to the Procurement Policy Board (PPB) for review and comment. Other changes concern policies for small business set-aside and sheltered workshops with qualified not-for-profit agencies, campaign political registration, ex parte communication requirements, and protest procedures. Since 1st Notice, references to “letting” contracts have been changed to “awarding”; record retention provisions have been changed to be consistent with the State Records Act; and changes have been made regarding persons to whom information may be disclosed during the solicitation process, the process of approving members of evaluation committees, and responsibility for meeting minority, female and disabled contracting goals. This rulemaking includes extensive changes that cannot all be listed and readers are advised to consult the rule text or direct questions to the agency contact person listed below. This rulemaking affects small businesses seeking State procurements or contracts.

Questions/requests for copies: Margaret van Dijk, CPO-GS, 712 Stratton Bldg., Springfield IL 62706, 217/558-2228, Margaret.vanDijk@illinois.gov

■ COSMETOLOGY

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION adopted amendments to the Part titled The Barber, Cosmetology, Esthetics, Hair Braiding, and Nail Technology Act of 1985 (68 IAC 1175; 38 Ill Reg 13595), effective 11/7/14, allowing barber schools to have internships as an optional part of their curricula. The program must meet the stated requirements including a maximum of 150 hours of possible credit. Barber students cannot serve the public until they have completed 150 hours of classroom instruction and practical application. Cosmetology schools may be approved to teach barbering. Requirements include space allocation, a detailed floor plan, signed fire inspection and a fiscal statement prepared by a CPA. All barbers, barber teachers, cosmetologists, and estheticians who are applying for licensure by endorsement may be asked to meet with the Board to discuss questions on their exams. Physical site requirements for barber schools, cosmetology schools, esthetics schools, nail technology schools, and hair braiding schools are updated. The rulemaking also clarifies that 1 credit hour is the equivalent of 30 clock hours and allows for electronic records for the schools to be stored on a secure off-site system. Official transcripts for students who have dropped out

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New Rules

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or withdrawn must be kept for 5 years. The rule also clarifies that any physical location that provides cosmetology, esthetics, nail technology, hair braiding or barbering services may be subject to registration. Those who operate barber, cosmetology, esthetics, nail technology and hair braiding schools or those who are interesting in attending an applicable school may be affected by this rulemaking.

Questions/requests for copies: Craig Cellini, 320 W. Washington, 3rd Floor, Springfield IL 62786, 217/785-0813.

HORSE RACING

The ILLINOIS RACING BOARD adopted amendments to Prohibited Conduct (11 IAC 423; 38 Ill Reg 14811) and Fines, Suspension, and Expulsion (11 IAC 1322; 38 Ill Reg 14815), both effective 11/1/14. The Part 423 amendment provides that a

licensee who makes a payment to the Board with a check that is returned will have his or her license suspended until the amount is paid in full. The Part 1322 amendment removes similar, redundant provisions for dishonored checks. Those licensed under the Horse Racing Act of 1975 may be affected.

Questions/requests for copies of the 2 IRB rulemakings: Mickey Ezzo, IRB, 100 W. Randolph, Ste. 7-701, Chicago IL 60601, 312/814-5017.

TELECOMMUNICATIONS

The ILLINOIS COMMERCE COMMISSION adopted amendments to Service Quality and Customer Protection Applicable to Wireless Eligible Telecommunications Carriers (83 IAC 736; 38 Ill Reg 5441), effective 10/23/14, implementing provisions of Public Act 98-45 and changing the name of the Part to Service Quality Requirements Applicable to Wireless Eligible Telecommunications Carriers. The rulemaking makes the

customer service quality requirements for wireless eligible telco carriers (ETCs) comparable to those imposed by the Public Utilities Act on wireline ETCs. Telecommunications providers are affected by this rulemaking.

Questions/requests for copies: Brian Allen, ICC, 527 E. Capitol Ave., Springfield IL 62701, 217/558-2387.

TEACHERS' RETIREMENT

The TEACHERS' RETIREMENT SYSTEM of the State of Illinois adopted amendments to The Administration and Operation of the Teachers' Retirement System (80 IAC 1650; 38 Ill Reg 13203), effective 10/21/14, removing obsolete provisions for an alternate refund calculation applicable to members retiring with more than 34 years of service credit.

Questions/requests for copies: Cynthia M. Fain, TRS, 2815 W. Washington St., P.O. Box 19253, Springfield IL 62794-9253, 217/753-0375.

JCAR Meeting Action

At its 11/6/14 meeting, the Joint Committee on Administrative Rules approved the following actions:

(89 IAC 148; 38 Ill Reg 18052). These rulemakings will be considered at JCAR's 12/16/14 meeting.

EXTENSIONS

JCAR extended the Second Notice periods for the following rulemakings for an additional 45 days: Illinois Liquor Control Commission, The Illinois Liquor Control Commission (11 IAC 100; 38 Ill Reg 16634); Department of Insurance, Licensing of Public Adjusters (50 IAC 3118; 38 Ill Reg 13149); and Healthcare and Family Services, Hospital Services

RECOMMENDATION

With respect to the Illinois Labor Relations Board rulemaking titled Public Information, Rulemaking and Organization (2 IAC 2500; 38 Ill Reg 19955), JCAR recommends that the Board be more timely in adopting rules implementing statute. This rulemaking was adopted 14 years after Public Act 91-798 created a single Labor Relations Board.

Second Notices

The following rulemakings were moved to Second Notice this week by the agencies listed below, commencing the JCAR review period. The Law Enforcement Training and Standards Board rulemaking was considered at the November 6, 2014, meeting while the Secretary of State rulemaking will be considered at the December 16, 2014 meeting, scheduled for 11:30 a.m. at the Michael Bilandic Building, 160 N. La Salle St. Chicago.

LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

Illinois Police Training Act (20 IAC 1720) proposed 8/29/14 (38 Ill Reg 18119)

SECRETARY OF STATE

Issuance of Licenses (92 IAC 1030) proposed 8/29/14 (38 Ill Reg 18148)

Joint Committee on Administrative Rules

Senator Pamela Althoff

Representative Greg Harris

Senator Don Harmon

Representative Lou Lang

Senator Tony Muñoz

Representative David Leitch

Senator Sue Rezin

Representative Don Moffitt

Senator Dale A. Righter

Representative Tim Schmitz

Senator Ira Silverstein

Representative André Thapedi

**Vicki Thomas
Executive Director**